

**FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY (CRA)
CITY COMMISSION CONFERENCE ROOM
MAY 8, 2001**

Mayor Naugle called the meeting to order at 4:05 P.M. Roll was called, and a quorum was present.

Present: Mayor Naugle
Commissioner Cindi Hutchinson
Commissioner Gloria F. Katz
Commissioner Carlton Moore
Commissioner Tim Smith (: P.M.)

Absent: None

Also Present: City Manager
City Attorney
Assistant City Clerk
Police Sergeant

1. Minutes of the March 27, 2001, Regular CRA Meeting

Motion made by Commissioner Smith and seconded by Commissioner Hutchinson that the minutes of the March 27, 2001 Regular CRA meeting be approved as presented. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Moore, and Mayor Naugle. NAYS: none.

3. NPF CRA Plan Revision

Mayor Naugle believed this Plan was essentially the same as discussed at the last meeting. Ms. Kim Jackson, CRA Manager, stated that changes requested by the Commission had been made, but no changes had been proposed by the Planning & Zoning Board or the CRA Advisory Board.

Motion made by Commissioner Hutchinson and seconded by Commissioner Katz to approve the revisions to the 1995 Northwest-Progresso-Flagler Heights Area Community Redevelopment Plan and forward the plan to the City Commission for approval at the meeting on May 15, 2001. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Moore, and Mayor Naugle. NAYS: none.

4. Enterprise Zone Incentives

Ms. Jackson stated that the Midtown Business District and an area directly in front of the Sweeting Estates had been designated as the top priority and, in order to encourage and promote redevelopment in the area, it was recommended that the increase of the façade grant be increased from \$7,500 to \$20,000. She advised that there had been some minor changes in addition to changes based on input from the Commission, and a question had been raised about where the CRA overlapped the CDBG-eligible areas and the Enterprise Zone within Fort Lauderdale. A graphic was displayed showing that area, and a chart had been distributed indicating the amount and source of funds that were available in different areas.

Ms. Eve Bazer, Enterprise Zone Manager, described the incentives available on a Citywide basis, in the CDBG designated area, the HUBZone area, the Enterprise Zone, and the CRA designated area. She stated that incentives included the Enterprise Zone Loan Program and the Façade Program, and the State had a variety of incentives as well but, in order to make an impact, the area needed to be narrowed. She explained that the Loan Program and the Façade Program encompassed a large area, and greater impacts could be made if the area were concentrated.

Commissioner Smith inquired about the increase in the tax rebate. He asked if it pertained to the entire tax bill or just some portion. Ms. Bazer stated that it applied to up to \$50,000 per year for the first 5 years, and that was a State program. Commissioner Smith wondered if there had been any "takers," and Ms. Bazer replied there had not been up to now. She said one problem was that existing businesses really could not take advantage of any of the incentives. Mayor Naugle suggested that a mailing list based on building permits be developed and informational materials distributed about the programs that were available in order to get the word out. Commissioner Moore thought the Chamber of Commerce could get the information out and be an advocate by informing businesses about the programs that were available.

Commissioner Moore supported the idea of targeting an area in order to have some visible impact, and the recommendations made sense. However, he was concerned about expanding the boundary of the Loan and Façade Programs because that would not concentrate the impact. He thought it would be wrong to expand that boundary now. Instead, he preferred to concentrate on the target area for a period of 24 months. At that time, the program could be expanded, but he preferred to use the expanded monies in the target area first. Ms. Jackson noted that the maximum funding per project of \$20,000 would only be available in target area one.

Mayor Naugle noted that some projects were very much needed on Northeast 4th Avenue, north of Sunrise Boulevard, as well as 13th Street. He did not feel other needy areas should be neglected. Commissioner Moore agreed, and he understood the \$7,500 funding would still be available for those areas. Ms. Jackson agreed that was correct. Commissioner Moore asked how projects would be selected for funding. Ms. Jackson advised it was a first come, first served program, with projects in target area one being funded first. She said one problem had been that projects had been funded, but then the money just sat, so now work on a project would have to begin within 90 days following approval.

Commissioner Moore wondered what would happen if it was a City process that prevented an applicant from beginning a project within the required 90 days. Ms. Jackson clarified that the 90-day period did not commence until all the City processes had been completed. Commissioner Moore felt the process should be expedited as much as possible. Commissioner Smith suggested that the expedited process be offered for these projects.

The City Manager stated that everything could not be given priority or expedited. He did not think these projects would take a very long time to get through the usual process as compared to the large projects for which the expedited review and permitting processes were utilized. He did not expect any undue delays, but he would let the Commission know if there were. Commissioner Moore did not mind allowing the process to work as long as it did. He did not want anyone who was willing to invest in a slum and blighted area to have any reason to walk away.

Commissioner Katz wondered if someone from the Department could follow the projects through. Commissioner Moore suggested the use of different colored paper to alert staff that these were City programs.

Commissioner Moore was concerned that banks moved slowly, and he wondered if the Broward Alliance or the Chamber of Commerce could review the applications, or perhaps someone from the Economic Development Advisory Board or the CRA Advisory Board could assist. He wanted a process that would move as quickly as possible. Commissioner Moore also wondered if the Broward Alliance or the Chamber of Commerce could review the application form itself to ensure the process would move as quickly as possible.

Ms. Jackson stated that a group of reviewers had been formed that was composed primarily of bankers because ultimately the banks were the only resource for the loans with the exception of the EZ Loans. Those were also reviewed by bankers. She explained that the underwriting criteria of banks, especially in blighted areas, were usually strict. Ms. Jackson said that the bankers all wanted the business, and perhaps there were other financing sources. Commissioner Moore wanted to hear more about that possibility, but he felt the number of bankers on the review group should be reduced.

Commissioner Katz felt the other people should have some expertise. Commissioner Moore agreed and felt small business operators had expertise. Commissioner Katz did not think they had expertise in deciding on whether an application for a loan met all the requirements. Commissioner Moore felt there should be a mix, and bankers were needed as well.

Mr. Jess Johnson, Broward Alliance, said the Alliance could review the criteria for an applicant for a loan, and it currently administered the County's Industrial Bond screening process. He described that process, and said the Alliance would be happy to play an active role in the CRA to facilitate the process. Commissioner Moore was glad to hear that.

Ms. Jackson stated that an application was scheduled for presentation to the Commission next week, and she wondered if Commissioner Moore wanted to staff to hold it. It was the consensus of the Commission to move forward with the understanding that adjustments could be made later, if necessary.

The City Manager said that as the new budget was compiled, staff would also be seeking ways to leverage all of these incentives. He explained that throughout the budget process, the various funding sources and initiatives were leveraged to get the "biggest bang for the buck."

Motion made by Commissioner Moore and seconded by Commissioner Hutchinson to recommend approval to the City Commission of the changes to the Enterprise Zone Loan Program and Façade Improvement Program. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Smith, Moore, and Mayor Naugle. NAYS: none.

2. Northwest-Progresso-Flagler Heights Boundary Expansion Report

Commissioner Moore had no objections, although he thought it would be difficult to get it approved by the County. Mayor Naugle wondered if the Urban Core of the Broward Workshop could help. Commissioner Smith noted there were a few new County Commissioners, but it seemed as if the last time there had been discussion, 5 or 6 of the Commissioners supported this. Commissioner Moore believed it would be difficult because there had been a number of CRA applications being considered by the County Commission. He hoped the City would take advantage of any advocate to help.

Commissioner Smith recognized several individuals who were present in support of this action, including representatives of the South Middle River Civic Association, who also agreed to help with the County Commission.

Commissioner Katz asked why the boundary went up to 16th Street in one area. Commissioner Smith stated that the area north of 13th Street was so severely blighted that it made no sense to leave it out. In fact, there was one corner where drugs had been sold for many years. He noted that there had been a glitch in the Code that had allowed construction of 10' wide buildings in the area.

Motion made by Commissioner Smith and seconded by Commissioner Hutchinson to approve the expansion of the NPF CRA boundaries as presented in the Finding of Necessity Report by Keith & Associates, Inc and recommend approval by the City Commission at its meeting of May 15, 2001. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Smith, Moore, and Mayor Naugle. NAYS: none.

Commissioner Katz wondered if this subject would be discussed at the joint meeting with the County Commission. The City Manager said it was not on the agenda for that meeting because there were already more items than could be thoroughly considered. However, he could submit a written list of concerns to the County Commission. Commissioner Moore asked that it be added as the last item on the agenda. *Mr. Bill Keith*, Consultant, believed it would be helpful if the City Commission encouraged the County Commission to ask its staff to expedite this.

5. Resolutions of Support by the NPF CRA Advisory Board

Resolutions were presented to support the application for HOME grant funds for acquisition of blighted properties and to formalize the initiative modifying right-of-way for Sistrunk Boulevard. Commissioner Moore explained that \$2 million for a home buying program was available through this HOME grant. He stated that there were 90 units that were soundly built but had deteriorated and been boarded and impacted by mortgage fraud. He asked the Commission to support this application. Commissioner Moore believed that if this grant was obtained, a very bad situation could be addressed.

Commissioner Moore introduced a written resolution entitled:

RESOLUTION NO. 01-01

A RESOLUTION OF THE NORTHWEST-PROGRESSO-FLAGLER HEIGHTS
COMMUNITY REDEVELOPMENT AREA ADVISORY BOARD SUPPORTING
CERTAIN RECOMMENDATIONS REGARDING THE RIGHT-OF-WAY AND
INFRASTRUCTURE NEEDS FOR SISTRUNK BOULEVARD AND THE
MIDTOWN BUSINESS DISTRICT.

Which resolution was read by title only. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Moore, Smith, and Mayor Naugle. NAYS: none.

Commissioner Moore introduced a written resolution entitled:

RESOLUTION NO. 01-02

A RESOLUTION OF THE NORTHWEST-PROGRESSO-FLAGLER HEIGHTS COMMUNITY REDEVELOPMENT AREA ADVISORY BOARD TO SUPPORT THE APPLICATION FOR A HOME GRANT FOR FUNDS TO ACQUIRE PROPERTIES IN THE NORTHWEST-PROGRESSO-FLAGLER HEIGHTS COMMUNITY REDEVELOPMENT AREA AND THE NORTHWEST NEIGHBORHOOD IMPROVEMENT DISTRICT.

Which resolution was read by title only. Roll call showed: YEAS: Commissioners Hutchinson, Katz, Moore, Smith, and Mayor Naugle. NAYS: none.

6. Status Report on the NPF CRA Financial Plan

A report was presented by the CRA Manager on the NPF CRA Strategic Finance Plan. Ms. Jackson reported that the Plan had been presented to the Community Services Board, and a presentation would be made to the Downtown Development Authority on Thursday. She advised that she had also met with the Finance Department about when to bring in counsel and financial advisors, and strategy was being formed as to the timing of the bond sale. She stated that she would be seeking approval for design of some of the projects as early as June. At present, there were funds in the CRA budget for designs on 6th Street, Sistrunk Boulevard, and some of the other areas so the finance plan was on schedule.

Mayor Naugle asked who would do the design work, and Ms. Jackson replied that bids would be sought. She noted that a written status report on the various projects had been distributed. Ms. Jackson stated that another item for which she sought support was an opportunity to examine Community Development Financial Institution. Basically, it was another funding source created by establishing a certified Institution. Mayor Naugle understood it would be the equivalent of a lending institution controlled by the CRA. Ms. Jackson advised that a feasibility study would have to be performed, and there was money in the budget if the Commission was interested in the concept.

Mayor Naugle wondered how much money could be attracted. *Mr. Jim Carras* explained that there were two federal resources available only to lending programs that were independently incorporated, and they were generically known as Community Development Financial Institutions. He stated that the U.S. Treasury Department had a fund and had invested over a half a billion dollars to close to 500 certified institutions around the country, and loans were made for a wide variety of purposes. Mr. Carras thought the most exciting thing to come from the federal government with respect to revitalization was the New Markets Tax Credit Program. He explained that it provided billions of dollars so private investors could obtain tax credits over a six-year period.

Mr. Carras noted that all of these things required fairly comprehensive planning, and the feasibility study was to examine capital needs within the CRA. That would have to be followed by the five-year comprehensive business plan for submission to the Treasury Department.

The City Manager understood he would be receiving a recommendation from Ms. Jackson with respect to the feasibility study, and he would work with the City Attorney's Office to take the first step. He would also keep the Commission advised of progress with respect to the federal programs mentioned by Mr. Carras.

The City Manager asked Ms. Jackson if she had any idea about how much the feasibility would cost. Ms. Jackson replied that the feasibility would cost about \$25,000, but then the plan had to be created, and that would probably cost another \$25,000.

There being no further business before the Board of Commissioners, the meeting was adjourned at 5:05 P.M.